GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:217
ANSWERED ON:12.12.2008
TRENDS IN TAX COLLECTION
Naik Shri Shripad Yasso

Will the Minister of FINANCE be pleased to state:

(a) the targets set by Government to mobilise resources through direct and indirect taxes during the current year;

(b) the break-up of taxes collected during the current financial year so far; and

(c) the steps taken by the Government to achieve the targets during the remaining period of the current year?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI S.S. PALANIMANICKAM)

(a) to (c): A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (c) of the Lok Sabha Starred Question No.217 for answer on 12.12.2008

(a) & (b): Targets [Budget Estimate (BE)] to mobilise resources through direct taxes and indirect taxes and the collections during the F.Y. 2008-09 are as under :

Direct Taxes

(Rs. In crore)

Head of Tax	BE 2008-09	Net Collection upto November, 2008
Corporate Income Tax	2,26,361	1,09,735
Personal Income Tax (including FBT, STT, BCTT)	1,38,314	67,215
Other Taxes	325	301
Total	3,65,000	1,77,251

Indirect Taxes:

(Rs. in crore)

Indirect Tax head	BE 2008-09	Revenue realised during April-October, 2008 (Provisional)

Custom Duties 1,18,930 66,621

Central Excise Duty 1,36,610# 65,322##

Service Tax 64,460 30,592$

Total Indirect Taxes 3,20,000 1,62,535

Central Excise revenue target is exclusive of cesses not administered by D/o Revenue amounting to Rs.1264 crores.
Central Excise figures are exclusive of cesses administered by other than Department of Revenue
$ Service Tax figures are during April-September, 2008 only.

(c): The following steps are being taken by the government to achieve targets of collections during the remaining period of the current year:-

1. Monitoring of advance tax payments of top taxpayers by the senior officers of the Income Tax Department.

2. Emphasis on collection out of arrear demand and monitoring of the cases of top defaulters by the senior officers of the Department.

3. Selection of cases under scrutiny based on objective financial parameters.

4. Computerization of the Departmental business processes and databases for linking of information and reporting of high value transactions.

5. Strengthening the Tax deduction at source/Tax Collection at source set up by creating 13 Commissioner level posts & conducting effective surveys to unearth non-payment of TDS/TCS on the Direct Taxes side.

6. Encouragement to voluntary tax-compliance through better taxpayer's service.

7. Multi-media campaign to encourage voluntary compliance of tax laws.

8. Increase in efforts for widening of the tax base.

9. Strengthening of the Audit & Anti Evasion set up to increase the tax compliance level;

10. Close monitoring of region wise, commodity/service wise monthly revenue realization and in depth examining of cases where the revenue collection is lower than expectations;

11. Directions have been issued that senior officers should meet the high revenue tax payers to ascertain reasons of low revenue realization where necessary;

12. Developing 'third party sources' to measure the tax compliance level;

13. Simplification of procedures so as to reduce tax compliance costs;

14. Developing a scientific system of scrutiny of returns filed by tax payers to detect any short payment of tax/duty.